

Message Text

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PAGE 01 LAGOS 09034 211432Z
ACTION AF-10

INFO OCT-01 ISO-00 EB-08 /019 W
-----010423 211434Z /41

P R 211300Z JUL 78
FM AMEMBASSY LAGOS
TO SECSTATE WASHDC PRIORITY 9627
INFO USDOC WASHDC
AMCONSUL KADUNA

LIMITED OFFICIAL USE LAGOS 9034

FOR AF/W R. KOTT

E.O. 11652: N/A
TAGS: BBSR, NI
SUBJECT: INFORMATION ON E.O. ASHAMU AND SONS (HOLDINGS) LTD

REF: STATE 118128

1. PER YOUR NOTE TO CAHILL DATED JULY 11, YOU APPARENTLY DID NOT RECEIVE OUR LAGOS 8321 WHICH WAS SENT PRIORITY ON JULY 6. THEREFORE, SUBSTANCE OF MESSAGE IS REPEATED BELOW.

2. JUDGMENT BY ECON COUNSELOR AND AGATT IS THAT SUBJECT FIRM IS SHORT ON GOOD MANAGEMENT, AND OVER-EXTENDED FINANCIALLY. COMPANY HAS A CASH FLOW PROBLEM AND A FAIR PROPORTION OF ASSETS REPRESENT INFLATED LAND VALUE. FURTHER PROBLEM IS INVOLVEMENT BY EXTENDED FAMILY IN ALL LEVELS OF COMPANY OPERATION.

3. PERFORMANCE VARIES BETWEEN DISPARATE DIVISIONS OF ASHAMU GROUP. THREE AG COMPANIES HAVE LOST MONEY FOR LAST TWO OR THREE YEARS. NIGERIAN EXPLOSIVES AND PLASTICS AND PHARCO HAVE DONE WELL. RECENT ACQUISITION, NEW AGE SHIPPING CO., WILL BE UNDER GREEK MANAGEMENT AND IS EXPECTED TO SUCCEED. OVERALL, SIX OUT OF EIGHT DIVISIONS ARE LOSING MONEY.

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4. SEVERAL U.S. FIRMS HAVE TAKEN A CLOSE LOOK AT THE ASHAMU GROUP LATELY AND THEY COULD BE CONSULTED FOR MORE DETAILED INFORMATION. PRICE WATERHOUSE DID AN EXTERNAL AUDIT FOR THE 1977 FISCAL YEAR. TWO FIRMS, CAMPBELL SOUP CO. AND HAWAIIAN AGRONOMICS INC., EVALUATED AND THEN BACKED AWAY FROM MANAGEMENT CONTRACT. CONTACT FOR FORMER IS DR. SIMON R. SHANE, DIRECTOR OF POULTRY PROJECT

S

TECHNOLOGICAL RESOURCES INC., CAMPBELL PLACE, CAMDEN, NEW
JERSEY 08101, (607) 964-4000.

5. ACTION REQUESTED: PLEASE BRIEF CHALMERS OF EXPORT CREDIT
CORP., 477 MADISON AVENUE, NEW YORK, NEW YORK
10003, TEL (212) 758-5400 ON SUBSTANCE OF THIS MESSAGE.
REGARDS, R. HARNISH.
WYMAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Format: TEL
From: LAGOS
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780734/aaaabcnu.tel
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Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
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Original Classification: LIMITED OFFICIAL USE
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Secure: OPEN
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Subject: INFORMATION ON E.O. ASHAMU AND SONS (HOLDINGS) LTD
TAGS: BBSR, NI
To: STATE
Type: TE
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Review Markings:
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